

**BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION**

**IN THE MATTER OF IDAHO POWER ) CASE NO. IPC-E-22-02**  
**COMPANY’S APPLICATION REGARDING )**  
**THE ENERGY SALES AGREEMENT WITH )**  
**SHINGLE CREEK LLC, FOR THE SALE ) ORDER NO. 35386**  
**AND PURCHASE OF ELECTRIC ENERGY )**  
**FROM THE SHINGLE CREEK HYDRO )**  
**PROJECT )**  
**)**

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On February 4, 2022, Idaho Power Company (“Company”) requested Commission approval or rejection of a replacement Energy Sales Agreement (“ESA”) between the Company and Shingle Creek LLC (“Seller”) concerning the purchase of energy generated from the Shingle Creek Hydro Project (“Facility”) located near the town of Riggins, Idaho. Application at 1. The Facility is a qualifying facility (“QF”) under the Public Utility Regulatory Policies Act of 1978 (“PURPA”). *Id.*

On March 1, 2022, the Commission issued Notice of Application and Notice of Modified Procedure and established deadlines for interested persons to comment on the Application and for the Company to reply.

Staff filed the only comments in this case.

With this Order, we approve the Company’s Application.

**APPLICATION**

The Facility has been delivering energy to the Company in accordance with a PURPA energy sales agreement executed on May 8, 2017, and expiring on July 31, 2022. (“2017 ESA”). *Id.* at 4.

The Company stated that, on January 24, 2022, it and the Seller entered the ESA for a five-year term using the non-levelized, non-seasonal hydro published avoided cost rates established in Order No. 35052 for replacement contracts and for energy deliveries of less than ten average megawatts. *Id.* at 3-4. In the ESA, the Company and the Seller agreed to a maximum capacity amount of 222 kilowatts (“kW”) which is equal to the capacity amount in the 2017 ESA. The Company stated that the ESA is a new contract for a new term but still maintains the same terms and conditions from the 2017 ESA. *Id.* at 2.

The Company indicated that the ESA contains payment for capacity during the full term of the ESA. The Company stated that the Facility is currently interconnected and selling energy to the Company and that the ESA specifies a Scheduled First Energy Date and Scheduled Operation Date for the Facility of August 1, 2022. *Id.* at 5.

#### **STAFF COMMENTS**

Staff reviewed: (1) the Facility’s eligibility for and the amount of capacity payments; (2) the 90/110 Provision with at least five-day advanced notice for adjusting estimated Net Energy Amounts (“NEA”); and (3) the avoided cost rates and recommended approval of the ESA as filed. Staff Comments at 2.

Staff noted that the 2017 ESA designated both the Facility nameplate capacity and maximum capacity amount as 222 kW, but that the ESA correctly denotes the nameplate capacity and the maximum capacity amount as 224 kW and 222 kW, respectively. *Id.* Staff noted that, even though the nameplate capacity should be 224 kW, the parties had agreed to payments for capacity only up to 222 kW in the ESA. *Id.* at 3.

Staff confirmed the ESA contains the 90/110 Provision and requires the Seller to give the Company at least five-day advanced notice if the Seller planned to adjust its estimated NEA to comply with the 90/110 Provision. *Id.* at 3-4. Staff verified the avoided cost rates in the ESA were correct. *Id.* at 4.

#### **FINDINGS AND DISCUSSION**

The Commission has jurisdiction over this matter under *Idaho Code* §§ 61-501, -502 and -503. The Commission is empowered to investigate rates, charges, rules, regulations, practices, and contracts of public utilities and to determine whether they are just, reasonable, preferential, discriminatory, or in violation of any provision of law, and to fix the same by order. *Idaho Code* §§ 61-502 and -503.

Having reviewed the record, we find the ESA to be fair, just, and reasonable. We find the Facility’s eligibility for capacity payments, the implementation of the 90/110 Provision with the five-day estimated NEA adjustment period, and the avoided cost rates in the ESA to be consistent with our previous orders, and within the public interest.

#### **ORDER**

IT IS HEREBY ORDERED that the Company’s Application is approved.

THIS IS A FINAL ORDER. Any person interested in this Order may petition for reconsideration within twenty-one (21) days of the service date of this Order regarding any matter decided in this Order. Within seven (7) days after any person has petitioned for reconsideration, any other person may cross-petition for reconsideration. *See Idaho Code* § 61-626.

DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 29<sup>th</sup> day of April 2022.



ERIC ANDERSON, PRESIDENT

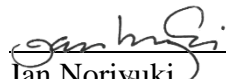


JOHN CHATBURN, COMMISSIONER



JOHN R. HAMMOND JR., COMMISSIONER

ATTEST:



Jan Noriyuki  
Commission Secretary

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